

Message Text

PAGE 01 STATE 096279

20

ORIGIN XMB-04

INFO OCT-01 EA-10 ISO-00 AID-05 CIAE-00 COME-00 EB-07

FRB-01 INR-07 NSAE-00 TRSE-00 OPIC-06 SP-02 CIEP-02

LAB-04 SIL-01 OMB-01 PRS-01 PA-02 USIA-15 /069 R

66610

DRAFTED BY: XMB:AMOHANIAN:PAD

APPROVED BY: EB/OCA/REP:EMCKEON

XMB:WWGLICK

EB/IFD/ODF:RASWART

EA/IMS:PCGILL

----- 049719

R 252003Z APR 75

FM SECSTATE WASHDC

TO AMEMBASSY KUALA LUMPUR

UNCLAS STATE 096279

E.O. 11652: NA

TAGS: APUB, MY

SUBJ: PRESS RELEASE ON EXIMBANK CREDIT TO MALAYSIAN AIRLINE
SYSTEM (MAS)

FOR YOUR INFORMATION ONLY, FOLLOWING IS FINAL TEXT OF EXPORT-
IMPORT BANK RELEASE ON THE DIRECT CREDIT OF DOLS 32 MILLION
TO MALAYSIAN AIRLINE SYSTEM (MAS). RELEASE IS SCHEDULED FOR
ANNOUNCEMENT HERE IN WASHINGTON, D.C. FOR A.M. PAPERS, WEDNESDAY
MAY 7, 1975.

QUOTE: EXIMBANK CREDIT OF DOLS 32 MILLION SUPPORTS DOLS 80
MILLION SALE OF U.S. JET AIRCRAFT TO MALAYSIAN AIRLINE

TO HELP FINANCE AN DOLS 80 MILLION SALE OF TWO DC-10-30 JET
AIRCRAFT AND RELATED SPARE PARTS AND EQUIPMENT TO MALAYSIAN
AIRLINE SYSTEM (MAS), OF KUALA LUMPUR, MALAYSIA, THE BOARD OF
DIRECTORS OF THE EXPORT-IMPORT BANK OF THE UNITED STATES
HAS AUTHORIZED A DIRECT CREDIT OF DOLS 32 MILLION TO FINANCE
UNCLASSIFIED

PAGE 02 STATE 096279

40 PERCENT OF THE TOTAL U.S. COSTS, ACCORDING TO EXIMBANK'S
CHAIRMAN WILLIAM J. CASEY. A CREDIT OF DOLS 40 MILLION FROM
PRIVATE SOURCES NOT YET DESIGNATED WILL FINANCE 50 PERCENT OF
THE U.S. COSTS AND THE BALANCE OF 10 PERCENT OR DOLS 8

MILLION WILL BE A CASH PAYMENT BY MAS.

MALAYSIAN AIRLINES SYSTEM IS OWNED BY THE GOVERNMENT OF MALAYSIA AND IT CURRENTLY SERVES ONLY DOMESTIC AND SOME REGIONAL ROUTES BUT PLANS TO EVENTUALLY EXPAND ITS OPERATIONS INTO INTERNATIONAL ROUTES.

THE MCDONNELL DOUGLAS CORPORATION OF LONG BEACH, CALIFORNIA, WILL MAKE DELIVERY OF THE AIRCRAFT IN AUGUST 1976 AND SEPTEMBER 1977.

THE LOANS ARE TO BE REPAID IN 20 SEMIANNUAL INSTALLMENTS BEGINNING SEPTEMBER 30, 1977. EXIMBANK'S DIRECT CREDIT OF DOLS 32 MILLION WILL BE REPAID OUT OF A PORTION OF THE 12 INSTALLMENT AND ALL OF INSTALLMENTS 13 THROUGH 20 AT AN INTEREST RATE OF 8-1/2 PERCENT PER ANNUM, WHICH WHEN BLENDED WITH THE PORTION OF THE CREDIT FROM PRIVATE SOURCES RESULTS IN AN ESTIMATED INTEREST COST TO THE BORROWER, BASED ON CURRENT RATES OF ABOUT 9 PERCENT TO 9.25 PERCENT PER ANNUM. REPAYMENT OF EXIMBANK'S LOAN IS TO BE GUARANTEED BY THE GOVERNMENT OF MALAYSIA. UNQUOTE. KISSINGER

UNCLASSIFIED

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 26 AUG 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 25 APR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE096279
Document Source: ADS
Document Unique ID: 00
Drafter: XMB:AMOHANIAN:PAD
Enclosure: n/a
Executive Order: 11652 NA
Errors: n/a
Film Number: D750147-0215
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t197504103/baaaahzq.tel
Line Count: 78
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Office: ORIGIN XMB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 10 JUL 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10 JUL 2003 by SilvaL0>; APPROVED <07 JAN 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> jms 971203
Subject: n/a
TAGS: APUB, MY
To: KUALA LUMPUR
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006